

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**State Investment Board**  
**Balance Sheet**  
**As of 6/30/2008**

	As of <u>6-30-08</u>	As of <u>6-30-07</u>
<b>ASSETS:</b>		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 151,093	\$ 170,460
INTERNATIONAL EQUITIES	74,570	85,001
DOMESTIC FIXED INCOME	533,063	529,818
INVESTED CASH (NOTE 1)	<u>41,024</u>	<u>40,584</u>
 TOTAL INVESTMENTS	 799,750	 825,863
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>988</u>	<u>1,196</u>
 TOTAL RECEIVABLES	 988	 1,196
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	29,659	119,873
 TOTAL ASSETS	 <u>\$ 830,397</u>	 <u>\$ 946,932</u>
 <b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	29,659	119,873
INVESTMENT EXPENSE PAYABLE	<u>1,596</u>	<u>834</u>
 TOTAL LIABILITIES	 31,255	 120,707
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	826,225	740,239
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(27,083)</u>	<u>85,986</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>799,142</u>	 <u>826,225</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 830,397</u>	 <u>\$ 946,932</u>

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**State Investment Board**  
**Profit and Loss Statement**  
**For the Month Ended 6/30/2008**

	Month Ended <u>6-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,822	\$ 33,526
SECURITIES LENDING INCOME	<u>76</u>	<u>2,924</u>
	2,898	36,450
 GAIN ON SALE OF INVESTMENTS	 9,248	 130,194
LOSS ON SALE OF INVESTMENTS	<u>12,073</u>	<u>127,254</u>
 NET GAINS (LOSSES) INVESTMENTS	 (2,825)	 2,940
 INVESTMENT EXPENSES	 1,117	 3,835
SECURITIES LENDING EXPENSES	46	2,624
 NET INVESTMENT INCOME	 (1,090)	 32,931
 NET APPREC (DEPREC) MARKET VALUE	 (22,791)	 (60,058)
MISCELLANEOUS INCOME/(EXPENSE)	<u>4</u>	<u>44</u>
 TOTAL INVESTMENT INCOME	 <u>(23,877)</u>	 <u>(27,083)</u>
 NET INCREASE (DECREASE)	 <u><u>\$ (23,877)</u></u>	 <u><u>\$ (27,083)</u></u>

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**DEFERRED SICK LEAVE ACCOUNT**  
**Notes To Financial Statements**  
**June 30, 2008**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 3**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

**NOTE 4**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.